



**IRS FAST FACTS:
2007 EARNED INCOME TAX CREDIT**

- The new maximum credit is \$4,716 for a family with two or more children; \$2,853 for a family with one child and \$428 if there are no children.
- The new income limits are \$37,783 (\$39,783 if married filing jointly) for families with two or more children; \$33,241 (\$35,241 if married filing jointly) for families with one child or \$12,590 (\$14,590 if married filing jointly) if there are no children. Investment income must be \$2,800 or less. Children must meet certain relationship and residency requirements.
- Created in 1975, the Earned Income Tax Credit (EITC) helps offset Social Security taxes and provides an incentive for work. It is the federal government's largest benefits program for working families.
- More than 60 percent of all tax returns claiming EITC are filed during the month of February.
- An estimated 20 percent more people may qualify for EITC but may not be aware of it.
- The EITC is for people who work but don't earn a lot of money. The audience includes people with limited English skills, rural residents, Native Americans, people with disabilities and nontraditional families, such as a grandparent raising a grandchild.
- The IRS works with over 65 National partners, 300 Community Based Coalitions and thousands of local partners. These partnerships provide free tax assistance and educate people about available tax credits.
- There are more than 12,000 free tax preparation sites nationwide. Approximately 4,500 sites were Volunteer Income Tax Assistance sites that provide free services to people who make \$39,000 a year or less. Approximately 8,000 sites were Tax Counseling for the Elderly locations operated by AARP and free for low-income people who are age 60 or older.

If you have questions or need more information, please contact your tax preparation specialist. You can also find more information online at: www.irs.gov